

AMENDMENTS TO THE SPECIFICATION

Please amend the paragraph beginning on line 7 of page 6 and ending on line 10 of page 6 as follows:

In step 212 the formula $e_i = d_i^0 - a_i \cdot q_i^0$ is used to compute the expected number of erodible components i . In this formula d_i^0 is the uncancelable level for component i , a_i is the vector of connect rates for component i , and q_i^0 is the expected mean production computed in step 210. The uncancelable level for a component is the quantity of the component that cannot be liquidated without charge.